

# THE BATTLE

W. H. Harvey is probably the most widely known of all the champions of silver except those who hold political place. "Coin's Financial School," which Mr. Harvey wrote, was published by him in the face of failure. No publisher, newspaper or news agency would publish it. Mr. Harvey went ahead by himself, put in print and sold 200,000 copies of the book. An avalanche of replies followed, but the people kept on buying "Coin's Financial School" and ignored the replies. The book has had a wider circulation than any controversial book since "Progress and Poverty."

Mr. Harvey is an enthusiast. He looks first to the cause of silver, then to his own interests. What he says may be accepted as the utterances of a man absolutely in earnest.



Street. The Chemical National Bank is the financial fortress of St. Louis. George F. Williams, its president, has authority upon all matters relating to currency. The Chemical is famous throughout the country for the wonderful growth and solidity of its business and the wise conservatism of its management.

Mr. Harvey Fisk has had an intimate acquaintance with the vicissitudes of Government credit, having been extensively interested in floating former bond issues, and he observes with the eye of an expert anything that affects the standing of the public obligations.

GEO. F. WILLIAMS.

## Theory Explained by Coin.

asked me why I favor the use of silver. My reply is:—

the right to use either of money—is a financial system of the unselfish wisdom of here are scientific truths to

is a necessity to civilization. thing becomes a necessity there a normal quantity of it. There is a demand for it by creating a supply. Money is made by law. is no such thing as money without designating something as such. a normal supply of money, the must designate a substance of sufficient quantity from which money may be made.

a normal supply cannot be obtained the substance selected by law from primary money is to be coined, there be a scarcity of that necessity to civilization, the greatest of all necessities—money. In selecting precious metals, by which money is to be made, the selection is made from a limited product, to give you an idea how limited it is I will say statistical reports show that there is about \$4,000,000,000 of gold in the world available for use as money, and \$4,000,000,000 of silver in the world available for use as money. That is, that after ages of delving in the earth for these precious metals, this is the quantity of each now in existence available for use as money. The quantity of gold above named—all there is in the world available for use as money—will go in the space of twenty-two feet each way. All of the silver in the world available for use as money will go in the space of sixty-six feet each way.

Politicians may roll figures off their tongues as liberally as they wish, but after all is said, this is the result: A cube of twenty-two feet of gold and a cube of sixty-six feet of silver is in the world available for use as money.

If we select gold alone as money, the next thing to consider is the demand for money. We have seen what the supply is, and the next question is the demand. The notes, bonds and mortgages payable in gold, issued by the city of Chicago, its inhabitants, corporations, including railroads terminating there, in the aggregate amount to as much as all the gold in the world available for use as money.

The railway bonds, payable in gold, of the United States amount to \$5,000,000,000. This is \$1,000,000,000 more than all the gold in the world available for use as money, and this railway indebtedness is but a drop in the bucket of the gold indebtedness in the world. A healthy reserve maintained by all of the gold governments in the world to float their representative money will require more gold than there is in the world, to the extent that they are unable to acquire more gold than there is in the world.

No material should be selected as the primary money of the people that is so limited in quantity as to be capable of being cornered by those who make it a business of selecting money as the property in which they deal. To do so places civilization at the mercy of the money dealers. In the discussion of the money question you should never lose sight of the fact that money is a necessity to civilization.

Out of the wisdom of man came the use of two metals for use as money, these metals to be coined into money at a ratio in weight of 16 to 1, or in the ratio provided from time to time. The option was given by law for the people to use money made from either metal, neither redeemable in the other, but each of itself money. The option was with the debtor, the persons setting the money in motion. The debtor thus controlled the demand, and as demand gives value, and the supply being limited, this option to the debtor shifted the demand from gold to silver or silver to gold, as each increased or decreased in quantity. The debtor used the one most necessary, so if silver became the cheaper the demand was shifted to it, and this brought it back to a parity with gold, and vice versa.

The two metals together, both limited in quantity, furnish a larger volume of money and a more stable supply than either alone can. As the demand draws first on one and then on the other, there is an elasticity and a dual strength to the financial system thus arranged. With gold and silver both as money, one relieves the strain upon the other. One is in competition with the other to supply the demand for money, and neither can rise in value without bringing the other into immediate competition with it to supply the demand when the law is adjusted to bimetallicism.

For all useful purposes that enter to the desire of man for arts and sciences, sixteen parts of silver are as valuable as one part of gold. If they were used as money, it is sixteen parts of

than one part of gold. Silver possesses substantially all of the qualities of gold. The two metals are similar in nearly all respects. They are both durable; neither will stain, corrode or rust.

The statement so frequently heard that the stamp of the Government on a metal does not add to its value is a common error into which many people fall. Under bimetallicism the mints are open to the free coinage of all that comes—of both gold and silver—and the people have the right to use either as money in the payment of taxes, purchases and in all the transactions of life where money is required. The stamp of the Government, it is true, is not what gives value to the metal, but it is the demand for the metal for use as money, as the law has provided, that gives to such metal its value. The law, by making it money, has made the demand, and it is the demand that adds to its value.

Under the present law gold has the unlimited right of way as money, and all the demand is on gold, and the bimetallic option has been taken away from silver. The mints are open to the coinage of all the gold that will come, and the debtor has no option by which he can use gold or silver at his pleasure; he is confined to gold alone. This is monometallicism. It puts all the demand on gold and takes the demand from silver. It builds the price of gold and bears the price of silver. Under bimetallicism the demand shifts at the will of the debtor. Under this shifting demand the two metals for the three hundred years that we have the statistical history of, prior to 1873, did not vary in commercial parity more than 3 per cent. And during that time there were periods when the world's production of silver was \$2 to \$1 of gold, and at other periods \$4 of gold to \$1 of silver. The supply of each, however, being limited, the demand maintained the commercial parity. Since 1873 and for the twenty-two years that have elapsed the world's production of the two metals has been about dollar for dollar, and yet, the demand having been taken from silver by all the leading governments of the world, the commercial parity between gold and silver has been broken 50 per cent.

It is a common statement that silver is not legal tender for any amount. This is not true. The Bland-Allison act of 1878, that restored to silver its legal tender quality, had a proviso: "Except where otherwise provided in the contract." This gave the creditor the option as to which money he would receive when he could dictate the terms in which a note or bond was payable. Since then these creditors have tied up the people, municipalities and corporations in billions of dollars of notes, bonds and mortgages, both new and refunded, payable in gold. The act of 1873 demonetized silver for us, and the act of 1878 drove a knife through the corpse of bimetallicism. It authorized contracts that destroyed the vital principle in bimetallicism.

It is a common statement that free coinage of silver will run gold out of circulation. Bimetallicism contemplates that from time to time one of the metals will be hard to get and will go out of circulation. It is the right to use either metal and the fact that the other metal is accessible and may be used that constitutes the principal merit of bimetallicism. There is a calamity when one metal goes out of circulation, if it is the only metal the law has provided for use as primary money. But there is no calamity on one of the metals going out of circulation if the other metal is accessible, the mints open to its free coinage, and the people have the option to use it. Gold is now out of circulation. There is no gold among the people. It is cornered in the bank vaults. It is leaving us to go to Europe to pay \$250,000,000 annually as interest on our gold debts, authorized by the act of 1878. Under the gold standard it is only a question of time when all our gold will leave us. We produce about \$40,000,000 a year of gold and are sending \$250,000,000 a year to Europe as interest on debts of ours held by foreigners. The gold being shipped back to us is borrowed gold that is increasing our gold debt to Europe and intensifying the situation. It means that in the future more gold must be annually shipped to Europe to pay our increasing gold interest. It means that we have committed ourselves to an enormous financial system, and that the longer it lasts the greater our suffering must be in the end.

The gist of the financial question is in this: The men who deal in money are interested in making the property they deal in more and more valuable. This is a natural instinct in the dealers of any property.

A cattle man in Kansas who owns 10,000 head of cattle knows that he could make his 10,000 head of cattle worth considerably more to him if he could cause the sudden death of half the other cattle in the world. The money dealer understands this principle, and knowing that money is made by law, he has gone to where the law is made and caused the destruction of one-half the money of the world. He is a dealer in money—it is the property that he studies. When he makes his money so valuable that it will buy more and more of your property and mine, he is the gainer. When the farmer's wheat exchanges for less and less money, the farmer grows relatively poorer than the man who owns the money. The unfortunate circumstance that adds additional gravity to the situation is that the money dealer deals in a property upon which all civilization is depending. It is the blood of civilization in which he deals, and when he absorbs it he strangles civilization. When he depicts the arteries of commerce by hoarding about him this blood of civilization, society, arts, commerce, civilization itself is affected.

Free coinage of silver will relieve the strain on gold and break the grip of the money lender, whose fingers are now mercilessly tightening around the throat of this Government. All is at stake in this struggle—our families, society, and the Republic itself.

W. H. Harvey

## A Financial Magnate Denounces Silver.

It admits of no dispute that there is at present a difference in the market price of gold and silver. Any discussion of the silver question must begin with this fact admitted, and thence go on to inquire how it has come about. If it has been the result of natural causes, the situation must be accepted and the wisest use made of the facts. It is agreed that, with a little difference in the ratio both had circulated together in this country for nearly one hundred years and up to 1873. It will be accepted as fact that up to that year the amount of silver dollars coined was but a little over eight millions. From that date to the present time nearly five hundred millions have been injected into our currency. Can it be disputed that there can be any other cause for the change of value than the great production of our own mines and of those of other countries? The consequence has been, not that this country and Germany and France and the Latin Union and later on India closing their mints to the coinage of silver has been the cause of its decline, but excess of production of the article itself has necessitated the action of these countries. Such a proceeding may have precipitated its fall, but was not its cause. If silver coinage had been continued, gold would have been driven to a premium, and there would have been two prices for all articles—one of gold and the other of silver.

If now this is the fact, let it be accepted, and the rightful deductions made therefrom. Is it honest to do otherwise? Let the silver advocates be not only fair-minded, but let them be honest. It cannot be right, in view of these facts, to say that a fraud has been perpetrated in which all these nations have united.

What, now, is to be done about it? Shall all true be changed in order to give a fictitious value to an article depreciated by overproduction? Never. If silver is to circulate, let it do so for what it is worth in the markets of the world. This can be done by changing the ratio or by issuing certificates upon it redeemable in silver bullion at its market value, but not in standard dollars coined at 16 to 1. There would be in this the safety and stability, but the Government would have to stand in the breach and lose if silver goes down, but would profit by it if silver advances.

It would seem that there is an alarming lack of honesty in the purposes of the silver advocates. Many at the South say: "Give us a silver basis, for we could then sell our cotton for gold and pay our laborers in silver worth fifty cents on the dollar." Where is the honesty in this to the laboring men? Again, at the West, it is said: "Give us a silver standard, and we can then sell our wheat for gold and yet pay our workmen in the legal money worth one-half its face value." Is such logic worthy of an honest man, and can its advocates be honest? And will not the wage-earner see through the deception when he has to pay double for everything he buys?

The truth is, that change from a gold to a silver standard will unsettle all values for a time, cause a loss greater than the value of all the silver in the country, and require years for prices to be adapted to the new standard. This whole silver craze is wicked beyond the power of language to express. It has, for twenty years, been the great black cloud which has threatened enterprise. It is responsible for the panic of 1893 and all the losses resulting therefrom, and now it seeks to cut in two the purchasing power of the dollar of every wage-earner in the land, and the salary of every minister and missionary, of every judge or clerk, and of the lifelong savings of every investor or savings bank depositor, and to derange the business of sixty-five millions of people.

If the silver men succeed, mankind will stand aghast at the ruin they have accomplished.

George F. Williams  
Harvey Fisk  
on Sound Money.

THE financial atmosphere has been clarified by the action of the St. Louis Convention in declaring emphatically for the maintenance of the existing gold standard. Work in favor of a sound currency is greatly needed now, as the good effect of the St. Louis platform has been modified by the success of the silver men in the ranks of the Democratic party in carrying recent State conventions for free coinage. Unless the prominent men of the East who have stepped to the front to stem the tide succeed in their efforts, there will be a free silver platform and a free silver candidate at Chicago. The fear of this has increased the timidity of capital, and the result has been reflected in great depression and marked shrinkage in values, with a general unsettling of business throughout the country. As the case now stands, it looks very much as if it would be a contest distinctly drawn between "sound" money on the one side and "flat" silver money on the other.

I understand the term "sound" money to mean the single gold standard.

quietly and steadily at work for a year in educating the farmers and wage earners of the South and West to their notions of finance. The result of this is plainly seen in the large majority of silver delegates elected to the Chicago Convention. The silver demagogues are now threatening to extend their operations to the East, trusting to the low prices for products and the closing down of mills to gain adherents. In the cause of national honor and all the material interests of the country their work must be properly combated. An educational campaign in which all patriots must join. Some people are disposed to take what they call middle ground and temporize on the basis of bimetallicism, there is no middle ground in this case and no such thing as bimetallicism. Bimetallicism is meant the concurrent coinage of gold and silver at a fixed ratio as a joint measure of values. Such a thing is theoretically and practically impossible. The experience of the countries have attempted to accomplish such a result amply proves this statement. It is the gold standard, with the preservation of national, corporate and individual credit, a great influx of foreign capital to further develop our rich resources, and a new era of prosperity for the nation, or free silver, with national dishonor, general bankruptcy, and a setback for which the country would not recover for a century. This is too time to waste, and plain talk is what is wanted.

The people of the United States may be deluded for a time by the false promises of designing politicians, but the dishonest and ill-wishers to the nation, or free silver, with national dishonor, general bankruptcy, and a setback for which the country would not recover for a century. This is too time to waste, and plain talk is what is wanted.

What was done then with "soft" money was subsequently relegated to the limbo of history. It is now being done again with silver. Let us understand that "there is no safe way this nation but that of the purest and the most unimpeachable good in the world. This is a stubborn truth that lies across your path. It confronts you every hand, convicts your conscience, convinces your judgment, and it will be evaded. It is not merely that honesty is the best policy, that it is the truest economy, that it is the best way; there is absolutely no other road but that which leads straight down to national perdition." Let every man imbued with patriotism and a sincere desire to see his country rise still higher among the ranks of the great nations of the globe, keep this important truth fresh in mind between now and the November contest, and let him put forth his best efforts to bring back to reason his deluded fellow-men, so that this silver heresy may be buried beyond all hope of resurrection.

Harvey Fisk

He Didn't Say It.  
[Seattle Post-Intelligencer.]  
When Cleveland wrote that he was a Democrat "who desires hereafter no greater political privilege than to occupy the place of a private citizen in the ranks," he missed a good chance say "who hereafter under no circumstance would be found anywhere but in the ranks. But he didn't say it."

A Weather Prophecy.  
[Seattle Post-Intelligencer.]  
If any one wants to see a cyclone in Chicago, which will rival the one which wrecked St. Louis, he should be on hand when a resolution endorsing Mr. Cleveland's administration is offered in the Democratic National Convention.

Men Who Are in Print.  
[Pittsburg Press.]  
Print making in his tent and Whitney working in his shirt sleeve is characteristic of two men.

Baseball Note.  
[Philadelphia Ledger.]  
Judging from the claims of its various thrills, that gold plank was a superior team work.

A Weather Note.  
[Cincinnati Commercial Tribune.]  
Want somebody please call the attention of the weather prophet to the ordinance prohibits seceding?

The Gloomy Diagnosis.  
[Washington Star.]  
The discouraging view of the situation Dr. Whitney now takes will make his greater in case he effects a cure.

Notice to Teller.  
[Detroit Free Press.]  
Senator Teller will make Mr. Whitney's name to the list.